

UNITED STATES DISTRICT COURT
FOR THE
DISTRICT OF MASSACHUSETTS

RECEIPT # 57389
AMOUNT \$ 150
SUMMONS ISSUED Y-5
LOCAL RULE 4.1 _____
WAIVER FORM _____
MCF ISSUED _____
BY DPTY. CLK. M
DATE 7-19-04

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA,

Plaintiff

v.

PAULETTE I. SANCHEZ, JERI LYNN
SANCHEZ, TODD SANCHEZ, KATELYN
SANCHEZ, TODD SANCHEZ, JR.,

Defendant(s)

CIVIL ACTION NO.:

04 cv 11605 RWZ
MAGISTRATE JUDGE Bouder

**THE PRUDENTIAL INSURANCE COMPANY OF AMERICA'S
INTERPLEADER COMPLAINT**

Pursuant to Rules 3 and 22 of the Federal Rules of Civil Procedure, The Prudential Insurance Company of America files the following Interpleader Complaint against defendants Paulette I. Sanchez, Jeri Lynn Sanchez, Todd Sanchez, Katelyn Sanchez, Todd Sanchez, Jr. (collectively "the Defendants").

PARTIES

1. Plaintiff The Prudential Insurance Company of America ("Prudential") is an insurance company organized under the laws of the State of New Jersey, with a principal place of business in Newark, New Jersey and it is duly authorized to conduct business in the Commonwealth of Massachusetts.

2. Defendant Paulette I. Sanchez ("Paulette") is an individual who, upon information and belief resides at 451 Renauld Street in the Town of Fall River, Massachusetts 02721. Upon information and belief, Paulette is the former spouse of Prudential's deceased insured, Gerald J. Sanchez ("Gerald").

3. Defendant Jeri Lynn Sanchez ("Jeri Lynn") is an individual who, upon

information and belief resides at 996 Walnut Street in the Town of Fall River, Massachusetts 02720. Upon information and belief, Jeri Lynn is the daughter of Gerald.

4. Defendant Todd Sanchez (“Todd”) is an individual who, upon information and belief resides at 451 Renauld Street in the Town of Fall River, Massachusetts 02721. Upon information and belief, Todd is the son of Gerald.

5. Defendant Katelyn Sanchez (“Katelyn”) is an individual who, upon information and belief resides at 451 Renauld Street in the Town of Fall River, Massachusetts 02721. Upon information and belief, Katelyn is the granddaughter of Gerald.

6. Defendant Todd Sanchez, Jr. (“Todd, Jr.”) is an individual who, upon information and belief resides at 451 Renauld Street in the Town of Fall River, Massachusetts 02721. Upon information and belief, Todd Jr. is the grandson of Gerald.

JURISDICTION

7. This is an action for rule interpleader under Fed.R.Civ.P.22, 28 U.S.C. § 1331, and equitable 29 U.S.C. § 1132 (a)(1)(B), to enforce the terms of an employee welfare benefit plan and to obtain other appropriate equitable relief under the Employee Retirement Income Security Act of 1974 (“ERISA”), 29 U.S.C. §§ 1001-1461.

8. The Court has subject matter jurisdiction over this matter pursuant to 28 U.S.C. § 1331 inasmuch as the case involves a federal question. This action involves competing or potential competing claims to insurance benefits available under the ERISA-regulated group life insurance plan (“Plan”). As such, Prudential is, or may be, exposed to double or multiple liability. ERISA authorizes suits by fiduciaries like Prudential to obtain equitable relief, such as interpleader, and to enforce the provisions of an ERISA plan. 29 U.S.C. § 1132 (a)(3)(B)(ii).

The district courts of the United States have jurisdiction over such claims without respect to the amount in controversy or the citizenship of the parties. 29 U.S.C. § 1132(f).

9. Venue in this Court is proper pursuant to 29 U.S.C. § 1132(e)(2).

FACTS

10. Prudential's deceased insured, Gerald J. Sanchez was a veteran. He purchased life insurance coverage from Prudential through Servicemen's Group Life Insurance under Prudential Group Policy No. 104-81669 ("Policy"). A true and accurate copy of the Policy is attached hereto as Exhibit A. Gerald was insured under the OSGLI Policy for \$200,000 in optional group life coverage. The Policy's death benefit, plus any applicable interest thereon are referred to throughout as the "Proceeds."

11. Gerald died of Hypercapniac Respiratory Failure with Chronic Obstructive Lung Disease on August 22, 2003. A true and accurate copy of the City of Fall River, Massachusetts, Office of the Clerk, Certificate of Death, relating to Gerald dated August 25, 2003, is attached hereto as Exhibit B.

12. Gerald submitted his Retired Reservist Application ("Application") to Prudential on July 10, 2000. A true and accurate copy of the Application is attached hereto as Exhibit C. In the Application, Gerald named three principal beneficiaries and two contingent beneficiaries. Pursuant to the terms of that designation, his wife, Paulette was to receive \$150,000, his daughter, Jeri Lynn was to receive \$20,000, and his son Todd was to receive \$10,000. When totaled this amount does not equal up to the \$200,000 policy that Gerald was approved for. In turn, Gerald also listed Katelyn and Todd Jr. as contingent beneficiaries, which would allow them to collect the money in the event that there are no surviving principal beneficiaries upon the death of the insured. As listed on the Application by Gerald, Katelyn and Todd Jr. would receive

the remaining \$20,000 – evenly distributed. Although, Katelyn and Todd Jr. are listed in the Contingent Beneficiaries section of the application it is believed to be that Gerald meant for them to receive the remaining \$20,000, as there was a handwritten line to connect the names.

13. Prudential initiated this interpleader action to ensure that it makes the correct benefit payments to the proper beneficiaries. Prudential must determine if the contingent beneficiaries are meant to receive the remaining \$20,000 before it can reasonably proceed with payment. In light of the conflicting Application Prudential is or may be subject to multiple liability with respect to the Proceeds.

14. In filing Group Life Insurance Claim forms the defendants have evinced an entitlement to the Proceeds. There are conflicting or potentially conflicting claims to the Proceeds.

15. Prudential is merely a disinterest stakeholder in this action inasmuch as it claims no interest in Proceeds, and admits that the Proceeds are due and owing to someone. Prudential hereby offers to and is ready to deposit the Proceeds with the Court upon the entry of an appropriate Order.

COUNT ONE

INTERPLEADER UNDER FED. R. CIV. P. 22

16. Prudential incorporates the allegations set forth in paragraph 1-15 of its Interpleader Complaint and incorporates them by reference as if set forth fully herein.

17. The death benefit at issue consists of \$200,000 in-group life insurance benefits. Prudential will deposit a check in the amount of \$200,000, plus any applicable interest, after the entry of an appropriate Order.

18. Prudential admits that it must pay the Proceeds, but Prudential avers that it must

pay the Proceeds only one time.

19. Unless Prudential is allowed to interplead all the claimants, Prudential is at risk for double, multiple, or inconsistent judgments.

20. Pursuant to 28 U.S.C. § 1132 (a)(3)(B), 29 U.S.C. § 1144 (a), and Fed. R. Civ. P. 22 this Court is empowered to enjoin any claimant from filing a separate lawsuit relating to the life insurance distribution, and to discharge Prudential from any liability relating to the Proceeds and/or the Policy.

21. Pursuant to 28 U.S.C. § 1132 (a)(3)(B), 29 U.S.C. § 1144 (a), and Fed. R. Civ. P. 22 to award a disinterested stakeholder such as Prudential the reasonable costs and attorneys' fees associated with initiating an interpleader action.

22. Prudential is entitled to have this Court adjudicate the competing claims, or potentially competing claims of the defendants and to establish Prudential's legal obligations to the defendants with finality.

COUNT TWO

EQUITABLE INTERPLEADER

23. Prudential incorporates the allegations set forth in paragraph 1-22 of its Interpleader Complaint and incorporates them by reference as if set forth fully herein.

24. Prudential admits that it must pay the Proceeds, but Prudential avers that it must pay the Proceeds only one time.

25. Unless Prudential is allowed to interplead all the claimants, Prudential is at risk for double, multiple, or inconsistent judgments.

26. Pursuant to 28 U.S.C. § 1132 (a)(3)(B), 29 U.S.C. § 1144 (a), and Fed. R. Civ. P. 22 this Court is empowered to enjoin any claimant from filing a separate lawsuit relating to the

life insurance distribution, and to discharge Prudential from any liability relating to the Proceeds and/or the Policy.

27. Pursuant to 28 U.S.C. § 1132 (a)(3)(B), 29 U.S.C. § 1144 (a), and Fed. R. Civ. P. 22 to award a disinterested stakeholder such as Prudential the reasonable costs and attorneys' fees associated with initiating an interpleader action.

28. Prudential is entitled to have this Court adjudicate the competing claims or potentially competing claims of the defendants and to establish Prudential's legal obligations to the defendants with finality.

WHEREFORE, The Prudential Insurance Company of America respectfully requests that the Court issue an Order:

- (a). Allowing Prudential to deposit the Proceeds into the Court's registry;
- (b). Compelling the defendants to determine through interpleader their potentially competing and adverse claims for the Proceeds;
- (c). Extinguishing with finality all claims that the defendants have against Prudential upon Prudential's payment of the Proceeds into Court;
- (d). Restraining the defendants from instituting or prosecuting, in any other state or federal court, any proceeding against Prudential with respect to the Proceeds;
- (e). That upon Prudential's deposit of the Proceeds with the Court, Prudential will be discharged from any liability in this action;
- (f). Awarding Prudential its reasonable attorneys' fees and costs; and

- (g). Granting Prudential such other further relief as the Court deems just and proper.

By its attorneys,

THE PRUDENTIAL INSURANCE
COMPANY OF AMERICA



William P. Bogaert, BBO# 5463221
Geoffrey M. Coan, BBO# 641998
Wilson, Elser, Moskowitz, Edelman
& Dicker LLP
155 Federal Street
Boston, MA 02110
(617) 422-5400

Date: ~~June~~ ^{July} 19, 2004

CERTIFICATE OF SERVICE

I hereby certify that on this 19th day of July, 2004 I have this day served a copy of the above document on all counsel of record and parties in this matter by first class mail, postage prepaid as listed below.

Paulette L. Sanchez
451 Renauld Street
Fall River, MA 02721

Jeri Lynn Sanchez
996 Walnut Street
Fall River, MA 02720

Todd Sanchez
451 Renauld Street
Fall River, MA 02721

Katelyn Sanchez
451 Renauld Street
Fall River, MA 02721

Todd Sanchez, Jr.
451 Renauld Street
Fall River, MA 02721


Geoffrey M. Coan

JS 44 (Rev. 3/99)

CIVIL COVER SHEET

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON THE REVERSE OF THE FORM.)

I. (a) PLAINTIFFS

The Prudential Insurance Company
of America

(b) County of Residence of First Listed Plaintiff _____
(EXCEPT IN U.S. PLAINTIFF CASES)

DEFENDANTS

Paulette I. Sanchez, Jerilyn Sanchez
Todd Sanchez, Katelyn Sanchez,
Todd Sanchez, Jr.

County of Residence of First Listed Bristol
(IN U.S. PLAINTIFF CASES ONLY)

NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE
LAND INVOLVED.

(c) Attorney's (Firm Name, Address, and Telephone Number)

William T. Bogaert, Geoffrey M. Coan
Wilson, Elser, Moskowitz, Edelman & Dicker, LLP
155 Federal Street
Boston, MA 02110
617-422-5300

Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)

- ☐ 1 U.S. Government Plaintiff
- ☒ 3 Federal Question (U.S. Government Not a Party)
- ☐ 2 U.S. Government Defendant
- ☐ 4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)

- Citizen of This State ☐ 1 ☒ 1 DEF Incorporated or Principal Place of Business in This State ☐ 4 ☒ 4 DEF
- Citizen of Another State ☐ 2 ☐ 2 Incorporated and Principal Place of Business in Another State ☐ 5 ☐ 5 DEF
- Citizen or Subject of a Foreign Country ☐ 3 ☐ 3 Foreign Nation ☐ 6 ☐ 6 DEF

IV. NATURE OF SUIT (Place an "X" in One Box Only)

CONTRACT	TORTS	FORFEITURE/PENALTY	BANKRUPTCY	OTHER STATUTES
<input checked="" type="checkbox"/> 110 Insurance <input type="checkbox"/> 120 Marine <input type="checkbox"/> 130 Miller Act <input type="checkbox"/> 140 Negotiable Instrument <input type="checkbox"/> 150 Recovery of Overpayment & Enforcement of <input type="checkbox"/> 151 Medicare Act <input type="checkbox"/> 152 Recovery of Defaulted Student Loans (Excl. Veterans) <input type="checkbox"/> 153 Recovery of Overpayment of Veteran's Benefits <input type="checkbox"/> 160 Stockholders' Suits <input type="checkbox"/> 190 Other Contract <input type="checkbox"/> 195 Contract Product Liability	PERSONAL INJURY <input type="checkbox"/> 310 Airplane <input type="checkbox"/> 315 Airplane Product Liability <input type="checkbox"/> 320 Assault, Libel & Slander <input type="checkbox"/> 330 Federal Employers' Liability <input type="checkbox"/> 340 Marine <input type="checkbox"/> 345 Marine Product Liability <input type="checkbox"/> 350 Motor Vehicle <input type="checkbox"/> 355 Motor Vehicle Product Liability <input type="checkbox"/> 360 Other Personal Injury	<input type="checkbox"/> 362 Personal Injury—Med. Malpractice <input type="checkbox"/> 365 Personal Injury—Product Liability <input type="checkbox"/> 368 Asbestos Personal Injury Product Liability PERSONAL PROPERTY <input type="checkbox"/> 370 Other Fraud <input type="checkbox"/> 371 Truth in Lending <input type="checkbox"/> 380 Other Personal Property Damage <input type="checkbox"/> 385 Property Damage Product Liability	<input type="checkbox"/> 422 Appeal 28 USC 158 <input type="checkbox"/> 423 Withdrawal 28 USC 157 PROPERTY RIGHTS <input type="checkbox"/> 820 Copyrights <input type="checkbox"/> 830 Patent <input type="checkbox"/> 840 Trademark SOCIAL SECURITY <input type="checkbox"/> 861 HIA (1395ff) <input type="checkbox"/> 862 Black Lung (923) <input type="checkbox"/> 863 DIW C/DIW W (405(g)) <input type="checkbox"/> 864 SSID Title XVI <input type="checkbox"/> 865 RSI (405(g)) FEDERAL TAX SUITS <input type="checkbox"/> 870 Taxes (U.S. Plaintiff or Defendant) <input type="checkbox"/> 871 IRS Third Party 26 USC 7609	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions
REAL PROPERTY <input type="checkbox"/> 210 Land Condemnation <input type="checkbox"/> 220 Foreclosure <input type="checkbox"/> 230 Rent Lease & Ejectment <input type="checkbox"/> 240 Torts to Land <input type="checkbox"/> 245 Tort Product Liability <input type="checkbox"/> 290 All Other Real Property	CIVIL RIGHTS <input type="checkbox"/> 441 Voting <input type="checkbox"/> 442 Employment <input type="checkbox"/> 443 Housing/Accommodations <input type="checkbox"/> 444 Welfare <input type="checkbox"/> 440 Other Civil Rights	PRISONER PETITIONS <input type="checkbox"/> 510 Motions to Vacate Sentence <input type="checkbox"/> Habeas Corpus: <input type="checkbox"/> 530 General <input type="checkbox"/> 535 Death Penalty <input type="checkbox"/> 540 Mandamus & Other <input type="checkbox"/> 550 Civil Rights <input type="checkbox"/> 555 Prison Condition	<input type="checkbox"/> 610 Agriculture <input type="checkbox"/> 620 Other Food & Drug <input type="checkbox"/> 625 Drug Related Seizure of Property 21 USC <input type="checkbox"/> 630 Liquor Laws <input type="checkbox"/> 640 R.R. & Truck <input type="checkbox"/> 650 Airline Regs. <input type="checkbox"/> 660 Occupational Safety/Health <input type="checkbox"/> 690 Other LABOR <input type="checkbox"/> 710 Fair Labor Standards Act <input type="checkbox"/> 720 Labor/Mgmt. Relations <input type="checkbox"/> 730 Labor/Mgmt. Reporting & Disclosure Act <input type="checkbox"/> 740 Railway Labor Act <input type="checkbox"/> 790 Other Labor Litigation <input type="checkbox"/> 791 Empl. Ret. Inc. Security Act	<input type="checkbox"/> 400 State Reapportionment <input type="checkbox"/> 410 Antitrust <input type="checkbox"/> 430 Banks and Banking <input type="checkbox"/> 450 Commerce/ICC Rates/etc. <input type="checkbox"/> 460 Deportation <input type="checkbox"/> 470 Racketeer Influenced and Corrupt Organizations <input type="checkbox"/> 810 Selective Service <input type="checkbox"/> 850 Securities/Commodities/Exchange <input type="checkbox"/> 875 Customer Challenge 12 USC 3410 <input type="checkbox"/> 891 Agricultural Acts <input type="checkbox"/> 892 Economic Stabilization Act <input type="checkbox"/> 893 Environmental Matters <input type="checkbox"/> 894 Energy Allocation Act <input type="checkbox"/> 895 Freedom of Information Act <input type="checkbox"/> 900 Appeal of Fee Determination <input type="checkbox"/> 950 Constitutionality of State Statutes <input type="checkbox"/> 890 Other Statutory Actions

V. ORIGIN

(PLACE AN "X" IN ONE BOX ONLY)

- ☒ 1 Original Proceeding ☐ 2 Removed from State Court ☐ 3 Remanded from Appellate Court ☐ 4 Reinstated or Reopened ☐ 5 Transferred from another district (specify) ☐ 6 Multidistrict Litigation ☐ 7 Appeal to District Judge from Magistrate Judgment

VI. CAUSE OF ACTION

(Cite the U.S. Civil Statute under which you are filing and write brief statement of cause.)

28 U.S.C. sec. 1331 Federal question involving competing claims to insurance benefits under ERISA regulated group life insurance plan.

VII. REQUESTED IN COMPLAINT:

☐ CHECK IF THIS IS A CLASS ACTION UNDER F.R.C.P. 23

DEMAND \$

CHECK YES only if demanded in complaint:

JURY DEMAND: ☐ Yes ☒ No

VIII. RELATED CASE(S) IF ANY

(See instructions):

JUDGE

DOCKET NUMBER

DATE

7-19-04

SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY

RECEIPT #

AMOUNT

APPLYING IFP

JUDGE

MAG. JUDGE

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

1. Title of case (name of first party on each side only) The Prudential Insurance Company of America v. Paulette I. Sanchez, et al.

2. Category in which the case belongs based upon the numbered nature of suit code listed on the civil cover sheet. (See local rule 40.1(a)(1)).

- ☐ I. 160, 410, 470, R.23, REGARDLESS OF NATURE OF SUIT.
- ☐ II. 195, 368, 400, 440, 441-444, 540, 550, 555, 625, 710, 720, 730, 740, 790, 791, 820*, 830*, 840*, 850, 890, 892-894, 895, 950. *Also complete AO 120 or AO 121 for patent, trademark or copyright cases
- ☒ III. 110, 120, 130, 140, 151, 190, 210, 230, 240, 245, 290, 310, 315, 320, 330, 340, 345, 350, 355, 360, 362, 365, 370, 371, 380, 385, 450, 891.
- ☐ IV. 220, 422, 423, 430, 460, 510, 530, 610, 620, 630, 640, 650, 660, 690, 810, 861-865, 870, 871, 875, 900.
- ☐ V. 150, 152, 153.

04cv11605 RWZ

3. Title and number, if any, of related cases. (See local rule 40.1(g)). If more than one prior related case has been filed in this district please indicate the title and number of the first filed case in this court.

4. Has a prior action between the same parties and based on the same claim ever been filed in this court?

YES ☐ NO ☒

5. Does the complaint in this case question the constitutionality of an act of congress affecting the public interest? (See 28 USC §2403)

YES ☐ NO ☒

If so, is the U.S.A. or an officer, agent or employee of the U.S. a party?

YES ☐ NO ☒

6. Is this case required to be heard and determined by a district court of three judges pursuant to title 28 USC §2284?

YES ☐ NO ☒

7. Do all of the parties in this action, excluding governmental agencies of the United States and the Commonwealth of Massachusetts ("governmental agencies"), residing in Massachusetts reside in the same division? - (See Local Rule 40.1(d)).

YES ☐ NO ☒

A. If yes, in which division do all of the non-governmental parties reside?

Eastern Division ☐ Central Division ☐ Western Division ☐

B. If no, in which division do the majority of the plaintiffs or the only parties, excluding governmental agencies, residing in Massachusetts reside?

Eastern Division ☒ Central Division ☐ Western Division ☐

8. If filing a Notice of Removal - are there any motions pending in the state court requiring the attention of this Court? (If yes, submit a separate sheet identifying the motions)

YES ☐ NO ☒

(PLEASE TYPE OR PRINT)

ATTORNEY'S NAME Geoffrey M. Coan
Wilson, Elser, Moskowitz, Edelman & Dicker, LLP
 ADDRESS 155 Federal Street, Boston, MA 02110
617-422-5300
 TELEPHONE NO. _____